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ABSTRACT

The Minnesota State High School League administers a program of competitive athletic, musical, speech, and dramatics activities at district, region, and state levels. The league is a voluntary association of 433 public and 49 private schools. This monograph reports on a study of the league in regard to two questions: (1) Are policy-making and decision making mechanisms adequate to ensure the league's overall accountability? and (2) Are changes needed to make the league more efficient, effective, and accountable? The study examined the league's organization, budget, organizational status, and policies and procedures. It was concluded that the league's internal mechanisms for accountability are weak and the league lacks adequate outside oversight. Recommendations are made for providing better outside oversight and improving accountability. (JD)

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MINNESOTA STATE HIGH SCHOOL LEAGUE

Program Evaluation Division
Office of the Legislative Auditor
State of Minnesota

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MINNESOTA STATE HIGH SCHOOL LEAGUE

December 1987

Program Evaluation Division
Office of the Legislative Auditor
State of Minnesota

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STATE OF MINNESOTA
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JAMES R. NOBLES, LEGISLATIVE AUDITOR

December 17, 1987

Representative Phillip J. Riveness, Chairman
Legislative Audit Commission

Dear Representative Riveness:

In October 1987 questions were raised in the press about the structure, management, and accountability of the Minnesota State High School League. Shortly afterward, a financial and compliance audit was initiated by the State Auditor and the Legislative Audit Commission directed the Program Evaluation Division to evaluate the league's governance and accountability.

This report cites shortcomings in the league's internal management and recommends changes to make the league more accountable. Some improvements can be made by the league's Board of Directors while others require actions by the Legislature.

We wish to thank members of the league's board and staff for their full assistance. Regretably, the executive director could not participate due to serious illness.

This study was conducted by Marilyn Jackson-Beeck (project manager) and Mary J. Guerriero.

Sincerely,

James R. Nobles
Legislative Auditor

Roger A. Brooks
Deputy Legislative Auditor
for Program Evaluation

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MINNESOTA STATE HIGH SCHOOL LEAGUE

EXECUTIVE SUMMARY

The Minnesota State High School League regulates interschool competitions in 14 boys' sports, 13 girls' sports, and 5 fine arts activities. The league, which spent nearly $3 million last year, is perhaps best known for its annual televised state hockey, basketball, and football tournaments.

The league is an association of 433 public and 49 private schools, governed by a 16-member board of directors and a 90-member representative assembly and administered by an 18-member staff.

In October 1987, the Legislative Audit Commission directed us to study the league and answer two questions:

- **Are policy-making and decision-making mechanisms adequate to ensure the league's overall accountability?**

- **Are changes needed to make the league more efficient, effective, and accountable?**

We found that the league lacks adequate standards and procedures to ensure accountability, and we have recommended changes. We think that some of the league's problems arise from its ambiguous legal status. State law refers to the league as a "nonprofit incorporated voluntary association," but the league receives state tax money, operates under the open meeting law, and regulates students' activities in the manner of a public agency.

The league's ambiguous status has an important and practical effect--it creates confusion and disagreement over what guidelines the league should be following in spending money, managing its affairs, and being held accountable. League revenues have tripled over the past decade, and without obvious standards, the league has sometimes established questionable management practices and spending patterns.

Our evaluation found that:

- **Some of the league's policies and procedures are inappropriate, and safeguards to ensure prudent expenditures are inadequate.**

For example, the league makes per diem payments to public employees who serve on the league board, even when that means that they receive two public paychecks for their work. Also, the league has paid advances of $1,000 for board members and staff to attend an annual national association meeting and required no report of actual expenditures or return of unused funds. Another league policy results in the distribution of hundreds of complimentary tournament tickets to former board members, public officials, and others, even though member schools are limited to a maximum of 12 tickets each.

In addition, league expenditures for its board last year were $68,547, or $4,284 per member. And finally, league staff receive new cars annually and reimburse the league for personal use at the rate of only 10 cents per mile, even though others on league business are reimbursed at the rate of 27 cents per mile.

Our evaluation concluded that:

- **The league's internal mechanisms for accountability are weak, and the league lacks adequate outside oversight.**

Thousands of people participate on the league's committees and assemblies each year. But the very size and complexity of the league's organization tends to blur accountability and confuse roles within the organization. Policy making, which should be a board function, is assigned to the executive director, and the board itself is not chosen by or accountable to the representative assembly, which is the league's "legislative" body. Important information, such as budget data, is difficult to obtain and understand. Finally, external oversight is weak because the league's annual audit has not included a review of compliance issues and because the Commissioner of Education, who reports annually to the Legislature on the league's activities, holds a position on the board.

The league needs more accountability and better outside oversight. At a minimum, we recommend that:

- **The Legislature should amend state law to require an annual compliance audit as well as a financial audit.**

- **The Legislature should require the league to conform to state standards in reimbursing travel expenses and compensating members of its board, councils, committees, and other groups.**

- **The league board and staff should review the league's policies and procedures to ensure that all provisions are consistent with state law and that all practices involving the handling of money are fully discussed in public meetings and set down in writing.**

In addition, the Legislature should consider further reforms in the structure and status of the league. One option would be to cut the size of the board to nine and have two members appointed by the Governor to represent parents. A second option would include the first and also have the league staffed by the state Department of Education. A third option would be to make the

league a state agency with all board members appointed by the Governor and with a budget subject to regular appropriation by the Legislature.

The league performs an important function, and it has been successful in some ways. But its management and standards of accountability need to be improved. With this report the Legislature has before it several options for reform.

MINNESOTA STATE HIGH SCHOOL LEAGUE

The Minnesota State High School League is an organization whose main purpose is to administer a program of competitive athletic, musical, speech, and dramatics activities at district, region, and state levels. We were asked by the Legislative Audit Commission to conduct a limited study of this organization in light of concerns raised by an October 1987 newspaper article questioning the propriety of league expenditures.[1]

Our study addressed two key questions:

- **Are policy-making and decision-making mechanisms adequate to ensure the league's overall accountability?**
- **Are changes needed to make the league more efficient, effective, and accountable?**

Personal interviews and league documents provided most of the information reported in the following pages. Where time prevented personal interviews, we requested written comments from individuals and associations familiar with league operations. Also, we analyzed characteristics of other states' high school associations, and collected comparative information.

The league started in 1916 as a nonprofit voluntary association of schools.

HISTORY

The league started in 1916 as a nonprofit voluntary association of Minnesota high schools. Then called the State High School Athletic Association, its mission was to promote amateur sports for boys and establish uniform rules for participation in interscholastic contests. In 1929, speech and debate contests were added, and the association's current name was adopted.

Girls sports were introduced in 1928, dropped in 1942, and resumed in 1969. The league today sponsors thirteen girls' athletic activities and conducts state championships in twelve.

1 "High School League Spending Questioned," *Star Tribune* (Minneapolis), October 11, 1987, Sec. A, p. 1, 14.

In the past few years, the league has devoted increased attention to nonathletic activities. Music was added in 1965, and last year the league initiated statewide competition in a values-oriented form of debate.

The first state statute affecting the league was enacted in 1957.[2] It authorized school boards to join associations whose object is the promotion and regulation of athletic, oratorical, musical, dramatic, or other contests by or between school children. One provision, still in effect, was that the Commissioner of Education or a designate serve as an ex officio member of the league's governing body, report the league's activities to each regular legislative session, and recommend legislation if necessary.

Public and private schools alike may join the league, provided (1) compulsory attendance requirements are satisfied, and (2) governing boards certify in writing that they wish to delegate authority for the control, supervision, and regulation of interscholastic activities. The Commissioner of Education is responsible for receiving the written certificates. Current law further specifies that the league's monies shall be examined annually by a certified public accountant or by the State Auditor.[3]

Schools delegate authority to the league to supervise and regulate interscholastic activities.

In 1986, legislation was proposed to alter the league's authority over students, its administrative decision-making processes, and board composition.[4] Although the legislation failed to pass, some changes were initiated by the league. For example, the state Office of Administrative Hearings now is involved in eligibility appeals. Opportunities were expanded for students to participate in national and Olympic development competitions.

Despite school closings and consolidations in Minnesota, the number of league members is about the same today as it was in 1969. Board policy has developed specifically to encourage cooperation between districts, so that high school extra-curricular opportunities can be preserved.

Current membership includes 482 high schools: 433 public, and 49 private or parochial. Small "Class A" schools are in the majority (77 percent). With en-

SPONSORED ACTIVITIES

Boys
- Baseball
- Basketball
- Cross Country Running
- Track and Field
- Cross Country Skiing
- Slalom Skiing
- Golf
- Gymnastics
- Soccer
- Swimming and Diving
- Tennis
- Football
- Hockey
- Wrestling

Girls
- Softball
- Basketball
- Cross Country Running
- Track and Field
- Cross Country Skiing
- Slalom Skiing
- Golf
- Gymnastics
- Soccer
- Swimming and Diving
- Tennis
- Synchronized Swimming
- Volleyball

Fine Arts (Boys and Girls)
- Music--vocal/instrumental, solo/ensemble/group
- Speech--oratory/creative/interpretive/recitative
- One Act Play
- Debate--policy
- Lincoln-Douglas Debate--values

2 *Laws* 1957, Chap. 726

3 *Minn. Stat.* §129.121

4 S.F. 2029

rollment less than 500, most of the Class A league member schools are located outside the Twin Cities. "Class AA" member schools, with enrollment of 500 or more, are found in urban areas throughout the state.
On average in 1984-85, member schools offered a median of 10.8 athletic activities and 3.7 fine arts activities. Schools decide how many and which activities they will offer from the league's current list of 32 activities.

ORGANIZATION

The league's constitution requires each member school's governing body to name six persons who may be elected to positions of league governance. Two of the six are called "designated school representatives," and the other four, "designated activity representatives." One school board member and one faculty member or administrator each must be selected to serve as designated school representatives. Separate activity representatives are chosen for their involvement in one of four pursuits: boys sports, girls sports, music, and speech.

The constitution urges the establishment of three-member local advisory committees in each school. Each committee must include one school board member, one student, and one faculty member. The committee is to advise the two designated school representatives on matters relating to the league.

Statewide, the league has established 32 districts and 16 regions for purposes of organizing and administering sub-state competitions. These correspond roughly to geographic areas but cannot be mapped due to overlap necessary to create similar-sized Class A and AA school groups. The districts and regions conduct annual meetings at which designated school representatives are elected to committees responsible for sub-state competition under the league's authority. The constitution requires at least four designated school representatives per committee; in actuality, additional representatives are elected.

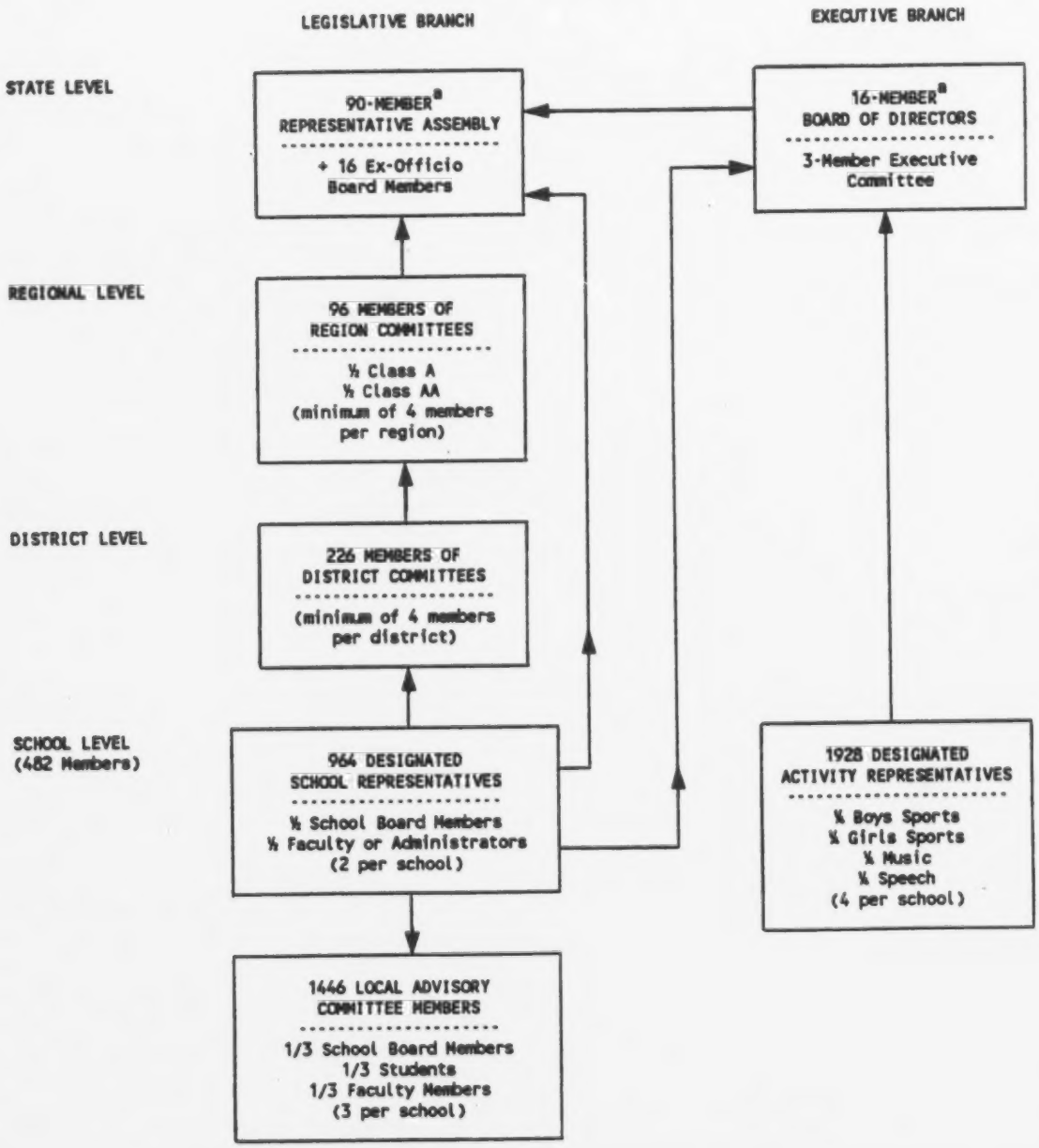
Figure 1 illustrates the relationship among schools, district and region committees, and the league's statewide governing bodies (the representative assembly and board of directors). The figure also indicates total numbers of individuals participating in various aspects of league governance. Based on the current total of 482 school members, an estimated 4,300 persons are active in one or more positions, elected or designated directly by the league's constituency.

An estimated 4,300 persons are active in the league's governing and advisory bodies.

As shown in Figure 2, designated school representatives account for 80 of the 90 positions in the representative assembly, also referred to as the league's legislature. The remaining ten positions are elected or appointed members of five professional associations. Association representatives must come from member schools, but need not be designated activity representatives. Each association is required simply to elect or appoint one representative each from Class A and AA member schools.

FIGURE 1

MINNESOTA STATE HIGH SCHOOL LEAGUE
CONSTITUTIONAL MEMBERSHIP GOVERNANCE STRUCTURE

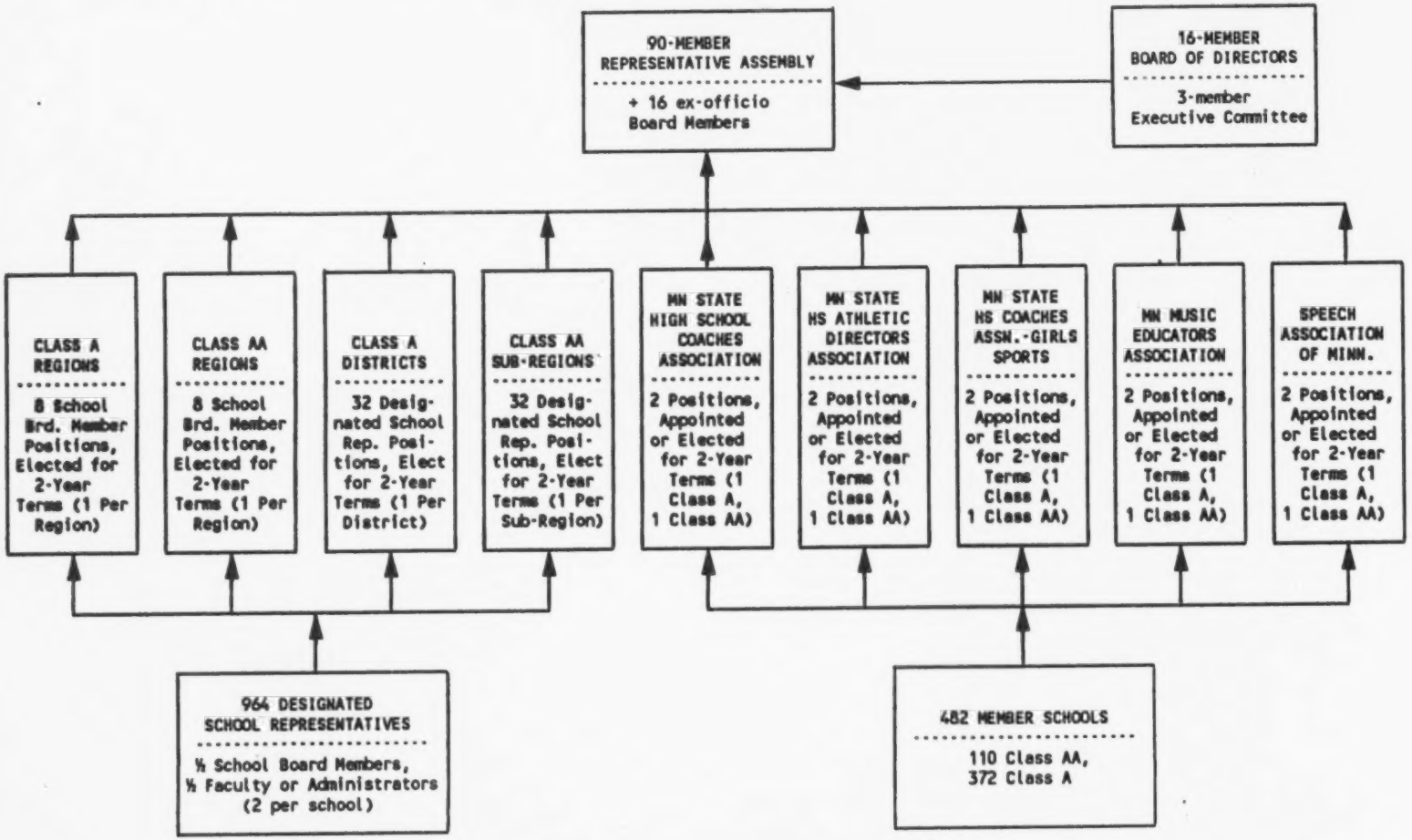


[a]Each body also includes individuals elected or appointed from associations, State Board of Education, and Department of Education.

Source: Office of the Legislative Auditor.

FIGURE 2

MINNESOTA STATE HIGH SCHOOL LEAGUE
COMPOSITION OF REPRESENTATIVE ASSEMBLY


90-MEMBER REPRESENTATIVE ASSEMBLY
+ 16 ex-officio Board Members
16-MEMBER BOARD OF DIRECTORS
3-member Executive Committee
CLASS A REGIONS
8 School Brd. Member Positions, Elected for 2-Year Terms (1 Per Region)
CLASS AA REGIONS
8 School Brd. Member Positions, Elected for 2-Year Terms (1 Per Region)
CLASS A DISTRICTS
32 Designated School Rep. Positions, Elect for 2-Year Terms (1 Per District)
CLASS AA SUB-REGIONS
32 Designated School Rep. Positions, Elect for 2-Year Terms (1 Per Sub-Region)
MN STATE HIGH SCHOOL COACHES ASSOCIATION
2 Positions, Appointed or Elected for 2-Year Terms (1 Class A, 1 Class AA)
MN STATE HS ATHLETIC DIRECTORS ASSOCIATION
2 Positions, Appointed or Elected for 2-Year Terms (1 Class A, 1 Class AA)
MN STATE HS COACHES ASSN.-GIRLS SPORTS
2 Positions, Appointed or Elected for 2-Year Terms (1 Class A, 1 Class AA)
MN MUSIC EDUCATORS ASSOCIATION
2 Positions, Appointed or Elected for 2-Year Terms (1 Class A, 1 Class AA)
SPEECH ASSOCIATION OF MINN.
2 Positions, Appointed or Elected for 2-Year Terms (1 Class A, 1 Class AA)
964 DESIGNATED SCHOOL REPRESENTATIVES
½ School Board Members, ½ Faculty or Administrators (2 per school)
482 MEMBER SCHOOLS
110 Class AA, 372 Class A

Source: Office of the Legislative Auditor.

Under the constitution, board members serve as additional, ex officio representative assembly members, but only the board president has voting privileges. Excluding these board members, current representative assembly members are predominantly male (84 percent). About two-thirds come from outside the Twin Cities area.

The representative assembly meets twice a year, in fall and spring, primarily to hear and vote on rule proposals. Rule proposals must be in writing, delivered in advance, and formally presented either by the board, a coaches association, five member schools, a district committee, or a region committee. To encourage local discussion of proposed rule changes, the league's constitution stipulates that proposals are read at one meeting and voted on at the next meeting, usually about six months later. The constitution also states that at both meetings assembly members must review the league's finances, activities, and problems, but it does not provide for action by the assembly.

Responsibility for general management of the league rests with the 16-member board of directors.

Responsibility for general management of the league rests with the 16-member board of directors whose composition is shown in Figure 3. Half the board positions are filled by designated school representatives, elected equally from member schools in Class A and AA regions. Four board positions are filled by schools' designated activity representatives, but elected by professional associations.

The twelve school representatives on the board serve staggered four-year terms. The State Board of Education also appoints a minority representative annually, and the board of directors of the State School Boards Association appoints two individuals for indeterminate terms. By state law, the remaining position is held by the Commissioner of Education or a designate. Currently, nine of the sixteen-member board come from outside the Twin Cities area. Three board members are women.

The league's board has established several councils and committees, as shown in Figure 4. Besides board members and staff, an estimated 220 individuals are involved in this ancillary aspect of league governance.

About half the individuals on board-initiated councils and committees are occupied with 27 athletic advisory groups. These groups make recommendations to the 17-member athletic council, which reports to the board.

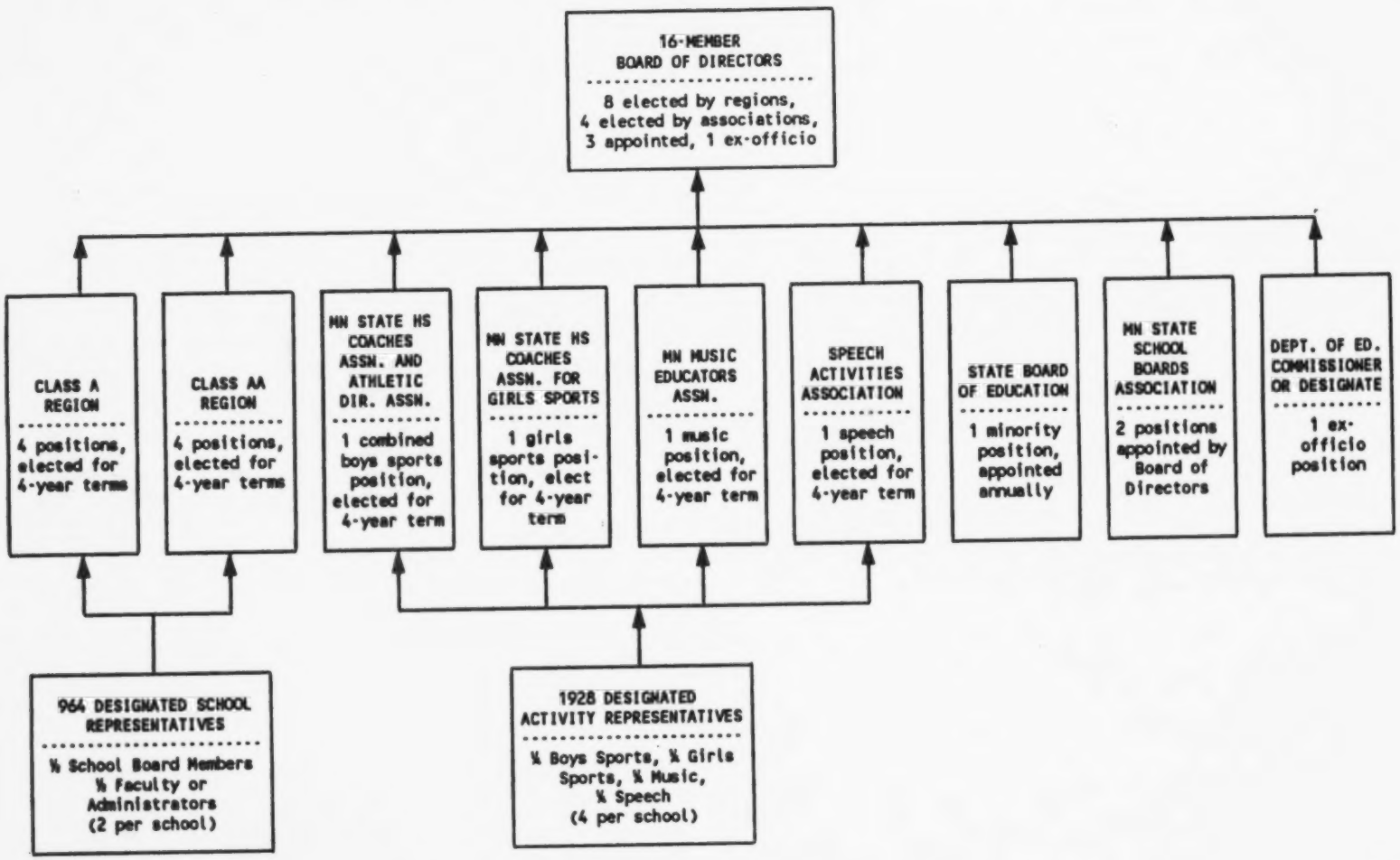
The athletic council is mainly composed of appointed members of seven professional associations, including the Minnesota Association of School Administrators and Minnesota Association of Secondary School Principals (also see Figure 2). Written board policy directs the associations to appoint individuals to the council from Class A and AA schools; they need not be designated school representatives or designated activity representatives.

The board of directors also is responsible for selecting and compensating an executive director, who reports to the board as shown in Figure 5, and four assistant and associate directors, each of whom reports to the executive director. The executive director hires the rest of the league staff. There are a total of 18 full-time staff members working for the league.

Our interviews with staff indicate that all except clerical employees are managed personally by the executive director. The board has given the

FIGURE 3

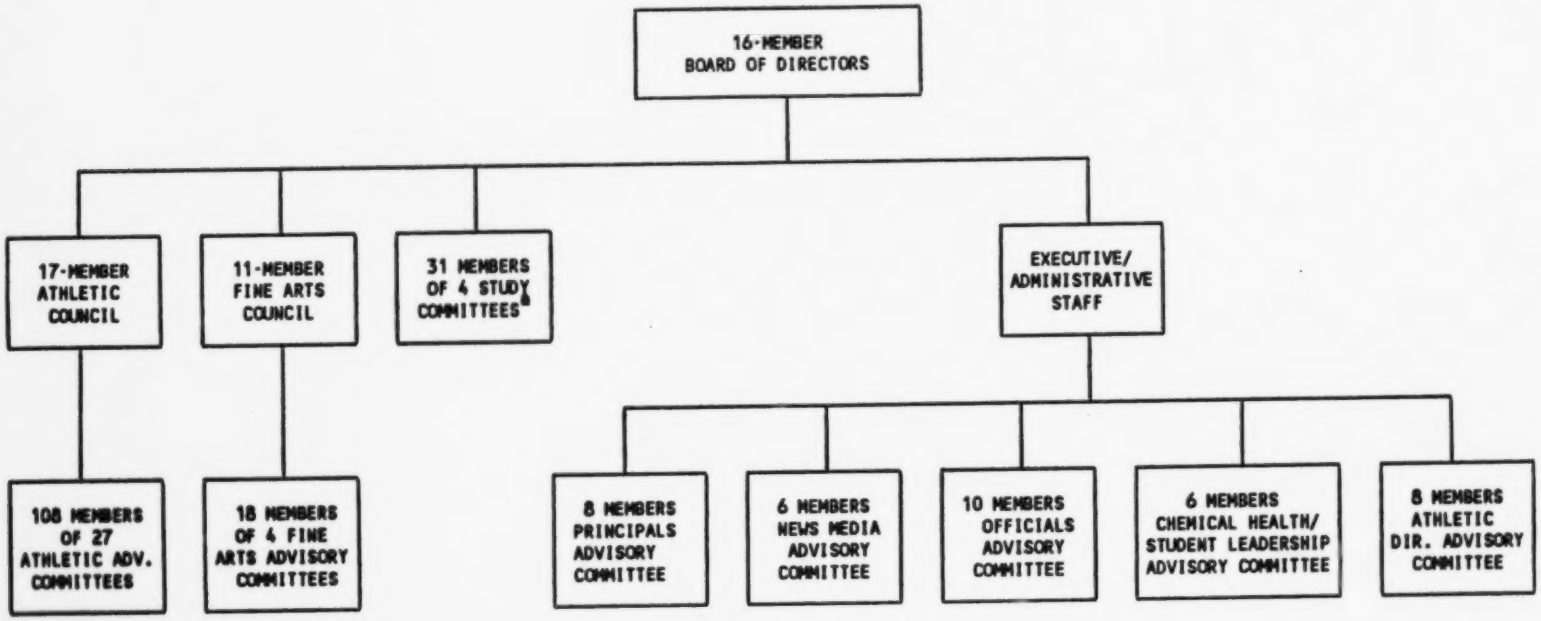
MINNESOTA STATE HIGH SCHOOL LEAGUE
COMPOSITION OF BOARD OF DIRECTORS


16-MEMBER BOARD OF DIRECTORS
8 elected by regions, 4 elected by associations, 3 appointed, 1 ex-officio
CLASS A REGION
4 positions, elected for 4-year terms
CLASS AA REGION
4 positions, elected for 4-year terms
MN STATE HS COACHES ASSN. AND ATHLETIC DIR. ASSN.
1 combined boys sports position, elected for 4-year term
MN STATE HS COACHES ASSN. FOR GIRLS SPORTS
1 girls sports position, elect for 4-year term
MN MUSIC EDUCATORS ASSN.
1 music position, elected for 4-year term
SPEECH ACTIVITIES ASSOCIATION
1 speech position, elected for 4-year term
STATE BOARD OF EDUCATION
1 minority position, appointed annually
MN STATE SCHOOL BOARDS ASSOCIATION
2 positions appointed by Board of Directors
DEPT. OF ED. COMMISSIONER OR DESIGNATE
1 ex-officio position
964 DESIGNATED SCHOOL REPRESENTATIVES
½ School Board Members ½ Faculty or Administrators (2 per school)
1928 DESIGNATED ACTIVITY REPRESENTATIVES
¼ Boys Sports, ¼ Girls Sports, ¼ Music, ¼ Speech (4 per school)

Source: Office of the Legislative Auditor.

FIGURE 4

MINNESOTA STATE HIGH SCHOOL LEAGUE COMMITTEES INITIATED BY BOARD AND STAFF

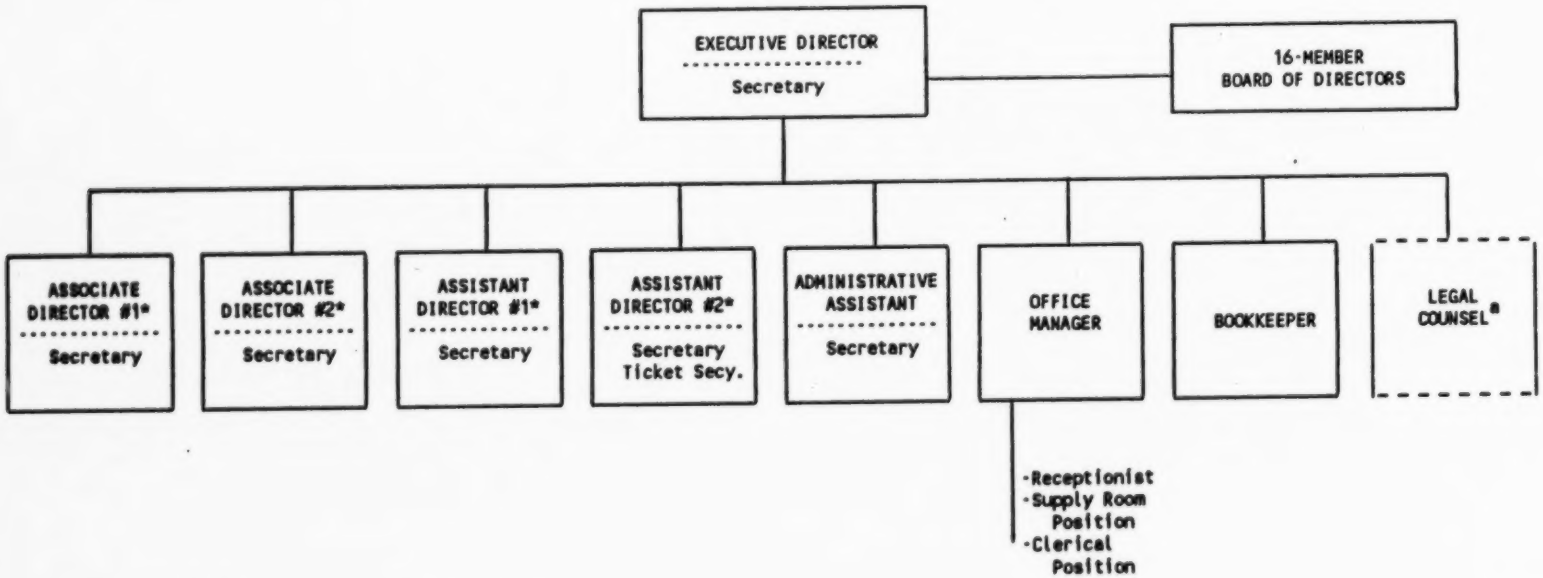

16-MEMBER BOARD OF DIRECTORS
17-MEMBER ATHLETIC COUNCIL
11-MEMBER FINE ARTS COUNCIL
31 MEMBERS OF 4 STUDY COMMITTEES[a]
EXECUTIVE/ ADMINISTRATIVE STAFF
108 MEMBERS OF 27 ATHLETIC ADV. COMMITTEES
18 MEMBERS OF 4 FINE ARTS ADVISORY COMMITTEES
8 MEMBERS PRINCIPALS ADVISORY COMMITTEE
6 MEMBERS NEWS MEDIA ADVISORY COMMITTEE
10 MEMBERS OFFICIALS ADVISORY COMMITTEE
6 MEMBERS CHEMICAL HEALTH/ STUDENT LEADERSHIP ADVISORY COMMITTEE
8 MEMBERS ATHLETIC DIR. ADVISORY COMMITTEE

[a]Excludes Board members and staff.

Source: Office of the Legislative Auditor.

FIGURE 5

MINNESOTA STATE HIGH SCHOOL LEAGUE STAFF ORGANIZATION



[a]On retainer.
*Executive staff.

Source: Office of the Legislative Auditor.

executive director responsibility for financial operations, policy, budgeting, leadership, staff assignments, and enforcement of regulations. Further, items in the league's *Bulletin* show that the executive director fields telephone inquiries from the public and schools on topics of general information, insurance, school eligibility, awards, interstate sanctions, track and field rules, and other matters. The incumbent previously was a teacher and track coach.

Notwithstanding differences in job title and compensation level, board policy establishes that job activities and benefits for assistant and associate director positions are nearly equivalent. Each has a secretary. Each administers tournaments, attends board meetings, serves as committee liaison, and may make legislative contacts. Job descriptions for each of the four positions show seven to ten activities.

The assistant and associate directors told us that their previous experience provided them with skills in the following areas: administration, officiation, business operations, public relations, chemical health, and fine arts. In interviews with us, they estimated that tournament management takes 15 to 40 percent of their time, and that they are out of the office, traveling, 25 to 50 percent of the time, overall.

In interviews, staff explained that, for all practical purposes, the league's outside legal counsel also functions as an executive staff member. He regularly sits at board meetings, and we observed him providing direct advice to board members. A registered lobbyist, the current counsel has more than twelve years' experience with the league. He described his primary responsibilities to us as legislative relations, contract administration and negotiation, and litigation.

BUDGET

About 80 percent of the league's $3.3 million revenues derives from tournament receipts.

Figure 6 shows the growth in the league's revenues and expenditures over the past ten years. Of the $3.3 million in 1987-88 budgeted revenues, about 80 percent derives from tournament receipts including $655,000 for television rights to the 1988 state hockey championship. According to the National Federation of High School Associations, no other state earns even half this much income from broadcasts of tournaments. Revenues from the state hockey tournament, plus six other activities that make a net profit, make it possible for the league to conduct more than twenty other state competitions that are financially unprofitable.

Tournaments also represent the league's largest category of expenditures. As shown in Table 1, about half of last year's budget went toward student activities, including $565,301 in refunds to schools whose students qualified for state-level competition. The refunds cover participants' meals, lodging, and travel expenses.

Table 1 also shows that the league's overall revenues increased 47 percent between fiscal years 1982 and 1986, while expenditures increased 54 percent. Aside from capital outlay, affected by accounting changes, the largest percentage increase was for the board of directors, whose costs went from $35,784 to

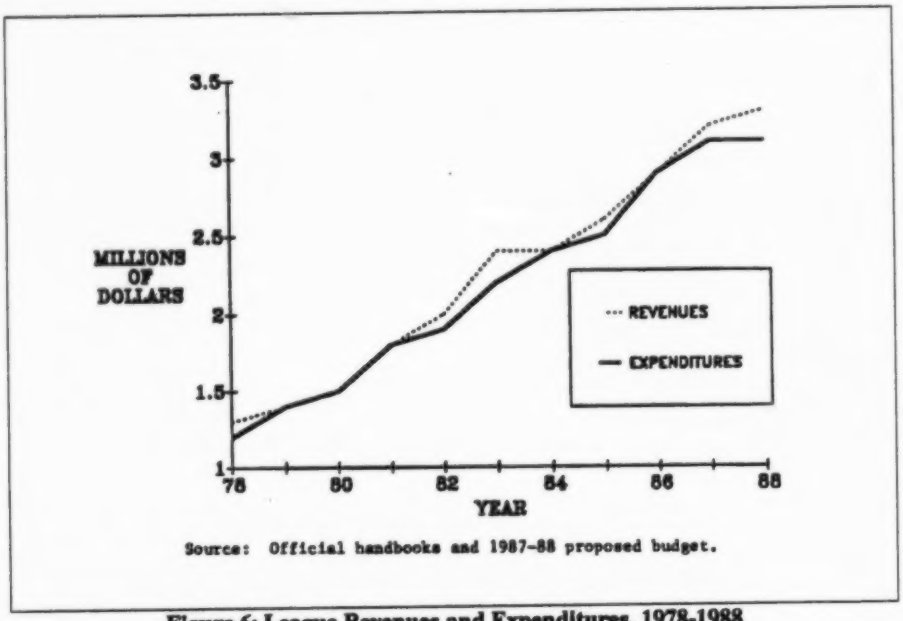


Figure 6: League Revenues and Expenditures, 1978-1988

$66,824 (an increase of 87 percent). The board of directors' expenses rose to $68,547 in 1986-87, but are budgeted to decline to $57,000 in 1987-88.

In addition, we identified more than $23,000 in expenses for the athletic and fine arts councils and a 40-member task force reporting to the board in 1986-87. Board policy authorizes payment of meals, lodging, and travel for all persons serving on authorized league committees.

Table 2 presents estimated costs per member for the league's major decision-making groups in 1986-87. The average cost per board member was $4,284. For the task force, which conducted 16 hearings throughout the state, the total cost was $21,412, or $535 per member. Other major decision-making groups cost $75 or less per member because schools, districts, or regions paid most of the direct costs.

As shown in Table 1, expenditures for staff between 1982 and 1986 rose 38 percent. Much of this is accounted for by the fact that the board approved hiring six new employees in this period. From a base of twelve employees in 1982, the total rose to 15 in 1986-87, and 18 today (plus counsel mentioned above).

The board is specifically responsible for compensating executive staff. According to the board president, pay levels for the five staff directors are based on the amount of the preceding year's average for a Twin Cities metropolitan school superintendent, with associate and assistant directors earning a percentage of that amount.

The average salary for the league's five staff directors amounts to $58,040 in 1987-88, ranging from $67,800 for the executive director to $52,900 for

TABLE 1

MINNESOTA STATE HIGH SCHOOL LEAGUE
EXPENDITURES BY CATEGORY
Fiscal Years 1982-1986

	1982	1983	1984	1985	1986	1982-1986 Dollar Difference	1982-1986 Percent Increase
REVENUES							
Student Activities	$1,617,519	$1,982,504	$2,003,544	$2,200,548	$2,444,346	$826,827	+ 51%
Membership Dues	128,359	123,957	157,850	158,200	157,135	28,776	+ 22
Publications	74,187	73,801	77,000	75,572	79,321	5,134	+ 7
Registration of Officials/ Judges	68,262	75,629	76,918	78,241	87,417	19,155	+ 28
Interest	71,134	65,870	73,708	83,094	78,090	6,956	+ 10
Automobile Sales	27,200	31,000	34,000	34,000	38,500	11,300	+ 42
Other, Including Medals, Refunds, and Reimbursements	9,346	10,862	10,665	8,086	48,348	39,002	+417
	$1,996,007	$2,363,623	$2,433,685	$2,637,921	$2,933,157	$937,150	+ 47%
EXPENDITURES							
Staff	$ 426,341	$ 448,833	$ 482,542	$ 510,272	$ 588,790	$ 162,449	+ 38%
Board of Directors	35,784	50,831	58,848	66,290	66,824	31,040	+ 87
Student Activities	1,076,500	1,369,752	1,403,763	1,473,572	1,529,862	453,362	+ 42
Capital Outlay	41,198	51,592	52,529	73,909	185,867*	144,669*	+ 351*
Office and Other Including Membership Services	309,238	326,163	383,599	414,922	544,213	234,975	+ 76
Total	$1,889,061	$2,247,171	$2,381,281	$2,538,965	$2,915,556	$1,026,495	+ 54%

Source: Official handbooks, audited financial information.

*1986 increase in "capital outlay" is explained by software purchases and capitalization of computer equipment. "Other" in 1986 includes $80,000 in legal expenses.

TABLE 2

MINNESOTA STATE HIGH SCHOOL LEAGUE
COSTS AND ACTIVITIES OF MAJOR DECISION-MAKING GROUPS

Group	Number of Members	Activities	Scheduled Meetings	Actual 1986-87 Expenses[a]	Estimated Cost/ Member[b]
Representative Assembly	90	Acts on proposed changes in activity rules; reviews activities, finances, and concerns.	2 regular	$4,729	$53
Board of Directors	16	General management; administration; rules interpretation and enforcement; proposals for representative assembly.	8 regular	$68,547	$4,284
Athletic Council	17	Acts on advisory committee recommendations; makes recommendations to the board.	1 annual	$1,275	$75
Fine Arts Council	11	Acts on advisory committee recommendations; makes recommendations to the board.	1 annual	$435	$40
Special Task Force	40	Made recommendations to board regarding student participation and eligibility rules.	22 (including 16 hearings around the state)	$21,412	$535

Source: Official handbook, board policy handbook, minutes, 1987-88 budget.

[a]Expenses cover regularly scheduled meetings and special meetings, if any.

[b]1986-87 cost per member of all meetings, assuming 100 percent attendance.

assistant directors. By comparison, the league's thirteen non-executive employees' average salary is $18,636.

Board policy provides additional benefits to the executive staff, such as more sick leave which can accumulate without limits, potential for cash payment up to $15,000 for unused sick leave on retirement, years of service calculated to include credit for previous educational work experience (for vacation and sick leave determinations), and longer paid vacations. Also, each executive staff member is provided a new, insured, maintenance-free league car. Financial statements show that the cars are bought and sold annually. Executives are required to pay only 10 cents per mile for personal mileage, even though others on league business are reimbursed at the rate of 27 cents per mile.

In our study, we found it difficult to track the league's expenditures by category. We found inconsistencies in categories in the audited financial information provided to the public. Although these accounting practices meet professional standards, line items are not uniform from year to year. Some inconsistencies may have resulted because the league changed auditors three times between 1982 and 1987.

With assistance from the league, we combined broad expenditure categories, but could not fully account for some of the major increases indicated in Table 1. Nor did we have access to final audited figures for the fiscal year ending July 1987. Some 1986-87 figures are available from the league's budget, but these are based on a separate accounting system which also changes methods of categorizing revenues and expenditures year to year.

Perhaps because of the conflicting accounting systems, we found that executive staff and board members could not explain or justify to us objectives associated with budgeted increases. The executive director, who is primarily responsible for the budget, has been absent due to illness.

THE LEAGUE'S STATUS

The league's organizational status is unclear.

Assessing the adequacy of the league's governance and accountability is complicated by the fact that the league's organizational status is unclear. Is the league a public or private organization? If public, is it a state agency or a unit of local government?

If the league is viewed as a public agency, standards of accountability are rather straightforward. If the league is viewed as a private organization, its practices are subject primarily to the desires of its members.

The league itself argues that it is a private organization which operates in association with local public and private schools. As noted earlier, the league was not created by the legislature, but by the concerted action of local schools which voluntarily associated with the league and freely chose which student activities they would offer. Today, the league is a nonprofit corporation supported by local school dues and by revenues earned from sales of tournament tickets and broadcast rights. Students, parents, and members of the general public are excluded from positions of league governance.

However, a strong case can be made that the league is, in fact, a public organization and that it should be subject to the rules of public accountability. First, the league directly receives state tax dollars--approximately $150,000 last year from public school dues. Also, the student athletic activities sponsored by the league are supported by additional tax dollars--an estimated three percent of state public school expenditures--and involve the use of public school facilities.

Second, the league controls and regulates the activities of students through school boards' official delegation of authority. The league exercises its delegated power in the manner of a public agency. It even regulates students' participation in athletic activities out of school and during the summer.

Third, the league's membership is overwhelmingly public high schools. In turn, most of those who are elected or appointed to positions of league governance are directly employed by public school districts or are publicly elected school board members.

Fourth, the state Commissioner of Education, an appointee of the Governor, is a statutory member of the league's board of directors and has a specific legal responsibility to report annually to the Legislature on league activities. The role of the commissioner (the law stipulates that a designee may be named) implies that the activities of the league are a matter of state and public concern.

Finally, whatever the origin of the league, it now operates under the terms of state law. Having recognized the public importance of the league's activities, the Legislature has brought the league increasingly under the control of state law. Over a period of 30 years, the league has become more like a public agency and less like a private association of schools.

The question of whether the league should operate like a state agency or a local unit of government is less clear. The league has statewide jurisdiction, a commonly used criterion for determining that a governmental entity is a state agency. And, as discussed earlier, the Commissioner of Education is given some statutory responsibilities for the league. But the league is a "grassroots" organization built on local school participation. Also, by giving the State Auditor financial audit jurisdiction over the league, the Legislature has treated the league like a local unit of government.

The league's ambiguous status may be the source of many of its problems.

There are good arguments on both sides of the two questions--is the league a public or private organization, and if public, is it a state or local agency? As we have shown, the law is ambiguous and the status of the league is confusing. Moreover, we believe that the league's ambiguous status may well be the foundation for many of the league's problems and for some of the criticisms that it has received in the press.

Obviously, the standards expected of a public agency are different than those expected of a private organization. Also, the guidelines and management practices which apply to a local agency, such as a school board or the office of a local school superintendent, may be at variance from those which apply to a state agency.

The ambiguity of the league's status has caused confusion over what guidelines the league should be following in spending money, managing its internal affairs, and being held accountable. It has also left outsiders with different expectations about the league.

The confusion over the league's status has left the league without "automatic" standards for internal management and mechanisms for accountability. Unfortunately, as our study shows below, the league has not filled the void adequately with its own management standards and oversight mechanisms, and this has allowed the league to spend money imprudently and to establish questionable management practices.

The ambiguity of the league's status has caused confusion over what guidelines the league should follow.

POLICIES AND PROCEDURES

Every organization, public or private, needs a clearly articulated mission and explicit policies and procedures designed to serve that mission. The organization's governing body should be responsible for defining the mission, setting goals, and making organizational policies. The organization's management should be responsible for policy execution.

An "accountable organization" is one in which the management is answerable to the governing body for its actions and the governing body is answerable to the organization's supporters or funders.

In our study of the High School League, we looked for signs that the organization's responsibilities were clearly defined and being carried out properly. We also looked for clear lines of accountability and effective oversight of league activities and expenditures.

Among other things, we looked for documents that explained the league's policies and procedures. We also studied the league's constitution, minutes of the board of directors, internal league manuals and handbooks, and other league publications. In addition, we interviewed board members and staff and observed league operations.

In general, we found that the league has successfully established policies and procedures for many activities, particularly activities relating to school competitions and tournaments. Many policies relating to internal league operations are also documented.

The league has five separate manuals or handbooks: an 89-page board policy handbook, a 134-page official handbook, and rules manuals for athletics, music, and fine arts. The manuals contain hundreds of detailed rules and regulations governing school competitions and students' eligibility.

However, we found that:

- **Some of the league's written policies and procedures are inadequate.**

In one case, we found that the league was not following a policy that appeared in the official handbook. The handbook (pages 35 and 38) says that full minutes of the board and the representative assembly must be published in the league's house organ, the *Bulletin*, but we found that only a summary of the board's minutes actually appear in the *Bulletin*, and assembly minutes did not appear there at all.

In another case, we found contradictory written policies: the league's official handbook says that all members of the board of directors are also members of the representative assembly (page 33), and it also says that directors may not hold any other office in the league (page 37).

In still another case, we found a policy that was confusing and contradictory: the official handbook sets a limit of 12 hockey tournament tickets per school because of an "acute shortage" (page 96). However, the board policy handbook indicates that each current board member can receive four hockey tournament tickets and each former board member (there are 181) can receive two tickets. In addition, board policy permits the executive director to recommend complimentary tickets for others and establishes priority reservations for 200 hockey tickets for legislators. League records show that over 300 complimentary tickets were issued for the 1987 state hockey tournament.

Another policy is ethically questionable and possibly illegal: The board handbook allows per diem payments to all board members even if compensation is being paid by another public entity. We think this is ethically questionable, and in fact if the board member is a state employee, it is clearly illegal. Recently, a board member, who is a state employee, repaid per diems he had received for several years.

The league does not have adequate safeguards to ensure that its expenditures are prudent.

Finally, we learned about one league procedure that is not based on any written policy at all and is highly questionable, if not contradictory to state law. The league has advanced to board members and staff an allowance of over $1,000 for travel and expenses connected with attendance at an annual out-of-state meeting with no provisions for reporting actual expenditures or returning unused portions of the allowance. The board policy handbook only mentions that all board members are eligible to attend national association summer meetings, that staff may attend by invitation of the board, and that the board determines annually the size of the travel allowance (page 10). The terms of the advance are not further stipulated.

Obviously, some of these problems are more serious than others.

In addition to these problems with the league's policies and procedures, we found that:

- **The league does not have adequate safeguards to ensure that its expenditures are prudent.**

The disclosures in the press about league spending and the findings of the State Auditor suggest that the league's spending habits have sometimes been injudicious and questionable. For example, we documented the following:

- The league pays board members a per diem amount, plus an amount for mileage, meals, and lodging. In addition, as noted above, each board member is eligible to attend at least one out-of-state national meeting. According to the league's budget, expenditures for the board of directors in FY 1987 were $68,547, or $4,284 per member.

- The league provides new cars annually to executive staff members, receiving a reimbursement for personal use and reporting the value of the vehicles' use as miscellaneous income to the Internal Revenue Service. Board policy fails to include automobiles as an executive staff benefit, yet the executives pay only 10 cents per personal mile while the league reimburses 27 cents to others.

- The league's public relations spending increased from $925 in 1985-86 to $13,750 budgeted in 1987-88. This does not include expenditures for plaques, logo pins, pens, pads of paper, and other mementos given to league participants and board members, nor expenditures for the league's magazine-style house organ whose free distribution rose from 8,500 to 13,500 copies last year.

- The league budgeted approximately $15,000 for its 1987 Congress of Schools meeting which did not attract a quorum. No binding decisions were made on proposed constitutional amendments, which will be voted on by mail at additional cost. Schools, districts, and regions covered most of these meeting costs.

- The league has regularly held its board meetings in hotels rather than in schools although school facilities might be more appropriate.

- The league's board of directors decided to construct a new building to house the league staff and to provide expanded meeting space, and it is now negotiating for a site. Its current offices were built to specifications in 1973.

The league has been able to spend money as it has because it has been highly successful in sponsoring popular state tournaments and attracting new revenues through increased ticket sales and lucrative television contracts. Revenues have nearly tripled over the last 10 years.

As the league's revenues have risen, so have its expenditures. As more money has become available, the league has spent it--on increasing the size of its staff, providing extraordinary amenities for executive staff, board members, and other league participants, for new programs, such as its chemical health program, and for promotional items such as posters, pocket calendars, and certificates of membership.

The league's constitution requires that surplus revenues which exceed 50 percent of mean expenditures over the past three years must be turned over to member schools. However, when expenditures rise as fast as revenues, the provision is unlikely to be invoked, and none of the league's growing revenues

are likely to find their way back to the schools or to the schools' activity programs. We did not find evidence that league revenues, aside from tournament expense allowances, have been turned over directly to schools.

How has this situation come about? How can a successful organization like the league, with strong roots in local educational communities throughout the state, develop questionable internal policies and spending patterns?

In our review, we studied the league's internal structure of decision making and its external accountability mechanisms. We looked to see how its governing bodies worked and who was on watch to oversee league activities.

As noted earlier, the league is a complex, community-based organization with thousands of active participants from schools around the state. Its executive director is accountable to the board of directors which is chosen by representatives of schools, school boards, and professional associations. It is supported by numerous task forces, committees, and ancillary organizations.

Despite this "grassroots" infrastructure, we conclude that:

- **The league's internal mechanisms for accountability are weak, and the league lacks adequate outside oversight.**

Strong internal accountability is a product of good role definition, clear lines of communication, and regular points at which decision makers are asked to account for their performance.

The league's internal mechanisms for accountability are weak, and the league lacks adequate outside oversight.

Internal accountability in the league is weak because the very size and complexity of the organization's structure tends to blur accountability and confuse roles within the organization. For example, we found that policy making, which should be a board function, is part of the executive director's job description. Also, the board itself is not chosen by or accountable to the representative assembly, which is ostensibly the "legislative" body within the league. The practical effect of the league's size, in our opinion, is to diffuse responsibility and concentrate power in the hands of the executive staff.

In addition, we found that important information about league activities, especially spending, is not readily available in a form that permits effective scrutiny. The content of identically named expenditure categories changes from year to year, without notice. Budget items are not reported in sufficient detail. Without such information, the wisdom and desirability of league spending cannot be determined by those who are responsible for the league's governance.

Finally, an adequate performance appraisal system for the executive staff is not in place. Job descriptions for most staff are inaccurate. No systematic review is made of the executive director's performance. Instead, board members told us that the executive director receives annual pay increases recommended by a small committee, without opportunity for input by the rest of the board.

Internal accountability, therefore, needs to be strengthened. Simplifying the league's overall structure, clarifying roles, improving documentation, and es-

tablishing a better appraisal system will help the league become a more accountable organization.

But a second concern relates to the quality of external oversight of the league. Good external oversight should come from those who have a stake in the organization but are positioned at an "arms length" from those who make key organizational decisions. External oversight should be critical, yet constructive; regular, yet not so frequent that it becomes part of the operational decision-making structure of the organization.

State law establishes a structure for external oversight of the high school league. Current provisions require the league to undergo a financial audit by a certified public accounting firm or by the State Auditor. The league has chosen to be audited annually by private firms, which over at least the last five years has resulted in satisfactory opinions regarding the preparation of the league's financial statements.

However, the league's audits have not included a thorough review of the organization's compliance with applicable laws, rules, and regulations. Such a "compliance audit" would address many of the kinds of questions that have been raised recently about the league's compliance with standards and the appropriateness of its spending.

The league's audits have not included a review of compliance with applicable laws, rules, and regulations.

State law also gives the Commissioner of Education special responsibilities to report to the Legislature on league activities and to make recommendations for needed changes. We examined the commissioner's reports from 1963, 1980, and 1987 and found that they provided little or no financial information to the Legislature and made no recommendations for improvements in the league.

One difficulty, of course, with assigning the role of external overseer to the Commissioner of Education is that the commissioner is an ex officio member of the league board. Although we think that the commissioner's report can be a useful document for the Legislature and the league, it cannot provide the "arms length" review that is needed.

We learned through interviews that the commissioner's representative has made specific suggestions through more informal channels to improve the league's management. Among other things, the representative has urged adoption of a "management by objectives" system and a better performance appraisal system for the executive staff. We think these kinds of suggestions are helpful from any member of the board of directors and urge the commissioner and other board members to continue an active scrutiny of the executive staff. We think the board should also probe into the league's financial affairs on a continuing basis and debate cost implications of its actions and proposals presented to it by the staff.

To sum up, we have found that the league's internal accountability and external oversight need to be strengthened. As noted earlier, the league's ambiguous status has left it outside the normal accountability structures that would apply if it were a state agency. The Governor does not appoint members of the governing board, and the Legislature does not review the organization's budget nor appropriate its funds directly. The general public has no direct representation and little recourse outside the courts.

Moreover, the league does not fall under the kinds of accountability that apply to local schools. No school board, elected by the voters, reviews and approves league operations.

The league--an organization which receives public dollars and performs public functions--needs more accountability and better outside oversight.

DISCUSSION

The Minnesota State High School League deserves support and praise for its sponsorship of interscholastic activities and highly successful revenue production. Over the course of its long history, the league has grown and prospered while providing valuable statewide services.

At the same time, its growth has brought increased management burdens and greater obligations for accountability which have not been fully met. What might have been tolerable for a small, struggling organization is not acceptable for a large association which affects the lives of thousands of citizens.

In studying the league, we learned that in many respects it ranks among the nation's largest interscholastic organizations. Compared with other states, it has more than twice as many full-time staff. It sponsors more activities and administers more athletic championships than the national average. According to the National Federation of High School Associations, in all likelihood the Minnesota league has the most participation and the largest representative assembly of any association.

But, as we have suggested, running a big organization may be far more challenging and full of pitfalls than running a small one. As a national leader in size and scope of activities, the Minnesota High School League may also have more problems to deal with than other state interscholastic associations.

In interviews with the league's board members and staff, we noted a recognition of many of the league's problems and a willingness to consider ideas for improving the organization. Several board members told us that the board's size and composition need to be reconsidered. Some staff members indicated that there is little public understanding of the way the league works. Legal counsel indicated to us that the league needs better business management capabilities.

In our view, it is time to rethink the league's management and organization. Since the league is so secure financially, we believe that even significant changes could be accomplished without harm to the league's ongoing operations.

At a minimum, to correct the shortcomings noted above, we recommend that:

- **The Legislature should amend state law to require an annual financial and *compliance audit* of the high school league.**

- **The Legislature should require the league to conform to the standards in *Minn. Stat.* §§15.0575 and 15.059 in compensating members of its board, councils, committees, and other groups. The Legislature should also require the league to conform to state standards for reimbursing travel expenses, as those standards are set forth in the Commissioner's Plan adopted under *Minn. Stat.* §43A.18, subd. 2.**

- **The league board and staff should review the league's policies and procedures to ensure that all provisions are consistent with state law and that all league practices that involve the handling of money are fully discussed in public meetings and set down in writing.**

These steps represent the minimum that needs to be done. These steps will provide better standards for spending money and provide for better external oversight.

Taken alone, however, these actions may not go far enough in addressing the underlying problems that beset the league. These actions, for example, would not significantly change the league's structure or its internal accountability. Nor would they definitively answer questions about the league's status. As a result, the league could still suffer from cumbersome decision-making processes, diffuse accountability, and confusion about what sort of standards the league should follow.

Therefore, we recommend that:

- **The Legislature should consider further reforms in the structure and status of the Minnesota State High School League.**

The current organization is not sacrosanct. It has strengths and weaknesses, and considerable ambiguity. Reorganization could improve the league, in our opinion, without diminishing it accomplishments.

The league's current organization is not sacrosanct.

We reviewed the structure of the interscholastic associations in other states and found a variety of approaches. The appendix summarizes the main features of the associations in Texas, California, Kansas, Iowa, Wisconsin, Michigan, and New Hampshire. We also considered how various public organizations have been structured and restructured in Minnesota to achieve greater accountability and improved financial management. And, of course, we sought the opinions and insights of many observers of the league.

While we have not decided on the "best" option for restructuring the league, we have concluded that any structural reform that is to address the problems we have identified should include some level of increased state involvement. How far to go in that direction becomes at some point a political judgment that we leave to the Legislature.

The first and most limited restructuring we propose for consideration would decrease the membership of the Board of Directors from 16 to 9 and have the Governor appoint two parents to the board, thus ensuring that some interests

other than those of the schools and professional associations would be directly represented.

The second approach would include the changes to the board proposed above, plus it would have the league staffed by the state Department of Education. This would retain the league's close connection with local schools, but bring its internal operations under state control. The Commissioner of Education would be responsible for managing the staff and for ensuring that the league's operations conform to established state standards and procedures of accountability. The commissioner would no longer sit as a member of the league board of directors but would become responsible instead for the operational management of the league's office. The board would serve as a policy-making body like the State Board of Education.

Finally, the Legislature could change the league even more decisively, by having the Governor appoint all league board members. This, combined with having the Commissioner of Education responsible for staffing would make the league a state agency. Under this arrangement, the staff and board members would be subject to all state personnel and spending guidelines, and all league operations would be subject to legislative review. League funds could be placed in a dedicated fund and appropriated biennially by the Legislature. Funds could be used for league activities or for the improvement of school facilities needed for sports and other interscholastic competitions.

This last alternative would significantly alter the character of the league, making it directly subject to the political and administrative processes of the state. This would simplify the league's structure, streamline its operations, and improve accountability. However, it would probably weaken the "grassroots" structure that links the league strongly to local school communities.

These are not the only choices available to the Legislature. But they are several options for addressing the issues we raise in this report. In varying degrees they clarify the status of the league and provide for clearer standards and procedures of accountability and more direct state involvement.

The focus for reform should be on making the league more accountable.

In its deliberations on reforming the league, the Legislature must balance a number of important factors: accountability, responsiveness to local communities, oversight, and the ability to earn revenues. We think that the prime focus should be how to make the league more accountable while not undermining the factors which have made the league financially successful.

We emphasize that the problems of accountability and oversight are serious and need to be addressed. The league performs an important role in Minnesota. Its recent growth is a sign of its vitality and an occasion for reflecting on its future. We hope that our review will be helpful to the league and to the Legislature which must now consider the issues and act.

OTHER STATES' ORGANIZATIONAL MODELS

APPENDIX

We contacted several nearby state high school associations as well as those in Texas, California, New Hampshire, and Kansas to learn about their basic organization and procedures. In addition, we reviewed their annual handbooks and asked about their relationship to state government. Below is a summary of organizational and procedural alternatives represented by selected states, where high school associations function quite differently than in Minnesota.

TEXAS

The Texas University Interscholastic League is operated by the Division of Continuing Education of the University of Texas at Austin as a service to public schools. The league's $1.5 million budget is part of the university budget with all staff hiring, purchasing, and accounting done through the university. The league's director is appointed by the university president. Not accountable to a board of control or board of directors, he is supervised by the dean of the Division of Continuing Education. Office facilities as well as some tournament sites are provided by the university.

There is strong emphasis on academic and other nonathletic activities in Texas, as the league's philosophy seeks to keep athletics in perspective. Most annual state championship contests (36 of 56) are in nonathletic activities. These include competitions in poetry interpretation, editorial writing, calculator applications, science, typewriting, and storytelling. An endowed scholarship program helps to support academic competition.

The university stays out of rule making which is handled by a 20-member legislative council elected by member schools. However, the Texas state board of education, by statute, approves all rules.

The relationship between the league and the state board of education is mutually reinforcing. The state sometimes depends on the league to enforce its laws as in the case of the "No Pass-No Play" eligibility rule. In 1984 the state legislature determined that students had to pass all their courses to be eligible to participate in extracurricular activities. In support of state statute, the league enforces this law in schools as part of its own eligibility requirements.

Eligibility questions and game scheduling are handled by 32 local district executive committees. Designation of conferences, interpretations of rules, and

adjudication of appeals are handled by the state executive committee, a judicial body made up mostly of faculty and staff, appointed by the university president.

CALIFORNIA

The California Interscholastic Federation, Inc. is a nonprofit association established in the California Education Code. It sponsors only athletic activities, both for public and private schools. It charges schools no participation fees, and has no formal accountability to the Department of Education or to the legislature. Revenues consist of tournament income. Its governing body is called the federated council, which consists of one member elected from each of ten geographical sections, the chief of the Bureau of Physical Education in the California Department of Education, serving ex officio, and representatives of the state associations of coaches, athletic directors, school boards, school administrators, private schools, and superintendents.

The federated council has divided the state into ten geographical sections in which activities are administered by section commissioners. There are section tournaments in all sponsored athletic activities, but just six statewide championships, which are administered by the state commissioner.

KANSAS

The Kansas State High School Activities Association, Inc., is a nonprofit organization created to sponsor athletic and nonathletic activities for public and private member schools. Previously, separate associations administered each type of activity. The association administers district, regional, and state-level tournaments. Its 50-member elected board of directors also serves as the legislative body. Two directors represent the state board of education. A 9-member executive board is responsible for management. Accountability is to the state Department of Education. The association must include a certified financial statement in its annual report to the department. Amendments or additions to the association's articles of incorporation or bylaws must be approved by the State Board of Education. However, the approval requirement generally does not apply to specific rules set by the Kansas association to govern activities.

Revenue is derived from tournament income and school membership fees. Schools pay between $250 and $450 in basic membership fees. The total annual budget is about $1.2 million.

IOWA

The Iowa High School Athletic Association is a nonprofit, unincorporated organization that sponsors boys athletic activities only, both for public and private schools. Girls' athletics are sponsored by a separate association. The athletic association has no jurisdiction over non-athletic activities, but subsidizes the state music association. Similarly, the girl's athletic association subsidizes the state speech association.

The Iowa association's governing board includes a representative of the state Department of Education, and is formally accountable to the department and the legislature. The Department of Education approves all rules and regula-

tions. Eligibility rules routinely undergo legislative review. Appeals on rulings by the executive secretary are taken to the governing board and then to the state Department of Education. The association directly administers district, regional, and state-level tournaments. Member schools pay a nominal $2 membership fee. Revenue comes from these fees and tournament income. The annual budget is around $1 million.

WISCONSIN

The Wisconsin Interscholastic Athletic Association sponsors only athletic activities for public schools. Its board of control includes a nonvoting member from the Department of Public Instruction. It has no formal accountability either to the state Department of Public Instruction or to the legislature. It is unincorporated, nonprofit, and voluntary.

Private schools have a separate state athletic organization. Membership fees are based on the size of participating schools and range from $75 to $125 plus $35 per sport, to be used for tournaments. The association administers district and regional tournaments as well as state-level competition. The annual budget is roughly $2 million per year.

MICHIGAN

The Michigan High School Athletic Association, Inc., was a public entity under the state Department of Education from 1923 to 1972. In 1972, legislation made it a nonprofit organization charged with administering secondary interscholastic athletics. It has no formal accountability to the legislature or to the Department of Education and now receives no direct state funding. Revenues are made up entirely of gate receipts and sponsorship fees from state tournaments. There is no membership fee for schools. All high schools, public and private, must join annually in order to compete in state athletics.

Its 19-member representative council is the policy-determining body. Fourteen members are elected by member schools, four are appointed by the council, and one is the State Superintendent of Public Instruction or a designee serving as an ex officio member. The elected officers of the representative council plus two others appointed by the president make up the 5-member executive committee. The council appoints the executive director of the association upon recommendation of the executive committee. The total annual budget is around $2.2 million.

NEW HAMPSHIRE

The New Hampshire Interscholastic Athletic Association, Inc. sponsors athletic activities only, both for private and public schools. It is a nonprofit corporation with no formal accountability to the state Department of Education or to the legislature. However, one Department of Education representative sits as a voting member on its 17-member athletic council, which governs the association. The other members are representatives from the state associations of school administrators, principals, coaches, athletic directors, and school boards. Principals hold 9 of 17 positions on the council since the Interscholastic Athletic Association grew out of the state principals' association. All contact with member schools is through principals.

Currently, membership dues are based on school size and range from $300 to $750. Next year, a user's fee system will be implemented so that schools pay a base fee of $300 and supplemental fees of $50 per sport.

The New Hampshire Association has only 88 member schools because it is a small state. However, according to the National Federation Handbook, it sponsors 27 state championship tournaments with a professional staff of only three: an executive director and two secretaries. Possibly, an associate director will be hired in 1989-90. Approximately 175 persons serve on committees that help administer activities in New Hampshire. The total annual budget is around $300,000.

SELECTED PROGRAM EVALUATIONS

Board of Electricity, January 1980	80-01
Twin Cities Metropolitan Transit Commission, February 1980	80-02
Information Services Bureau, February 1980	80-03
Department of Economic Security, February 1980	80-04
Statewide Bicycle Registration Program, November 1980	80-05
State Arts Board: Individual Artists Grants Program, November 1980	80-06
Department of Human Rights, January 1981	81-01
Hospital Regulation, February 1981	81-02
Department of Public Welfare's Regulation of Residential Facilities for the Mentally Ill, February 1981	81-03
State Designer Selection Board, February 1981	81-04
Corporate Income Tax Processing, March 1981	81-05
Computer Support for Tax Processing, April 1981	81-06
State-sponsored Chemical Dependency Programs: Follow-up Study, April 1981	81-07
Construction Cost Overrun at the Minnesota Correctional Facility - Oak Park Heights, April 1981	81-08
Individual Income Tax Processing and Auditing, July 1981	81-09
State Office Space Management and Leasing, November 1981	81-10
Procurement Set-Asides, February 1982	82-01
State Timber Sales, February 1982	82-02
Department of Education Information System,* March 1982	82-03
State Purchasing, April 1982	82-04
Fire Safety in Residential Facilities for Disabled Persons, June 1982	82-05
State Mineral Leasing, June 1982	82-06
Direct Property Tax Relief Programs, February 1983	83-01
Post-Secondary Vocational Education at Minnesota's Area Vocational-Technical Institutes,* February 1983	83-02
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Evaluation reports can be obtained free of charge from the Program Evaluation Division, 122 Veterans Service Building, Saint Paul, Minnesota 55155, 612/296-4708.

*These reports are also available through the U.S. Department of Education ERIC Clearinghouse.

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